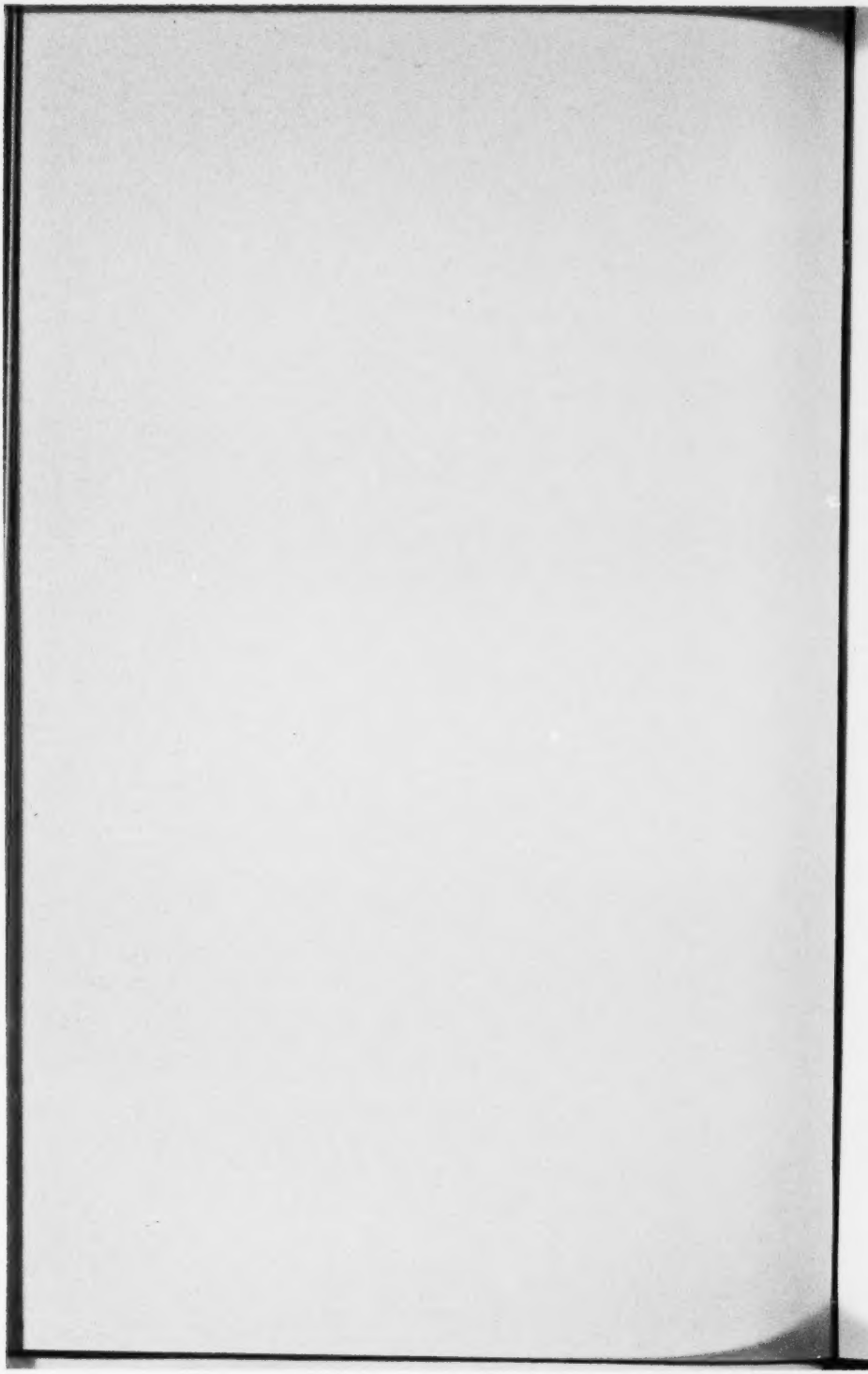


Appendix

STATUTORY PROVISIONS INVOLVED

Revenue Act of 1932, Section 501 (Title 26 U. S. C., 1934 Ed. Sec. 550):

"Imposition of tax.

"(a) For the calendar year 1932 and each calendar year thereafter a tax, computed as provided in section 502, shall be imposed upon the transfer during such calendar year by any individual, resident or nonresident, of property by gift.

"(b) The tax shall apply whether the transfer is in trust or otherwise, whether the gift is direct or indirect, and whether the property is real or personal, tangible or intangible; but, in the case of a nonresident not a citizen of the United States, shall apply to a transfer only if the property is situated within the United States. The tax shall not apply to a transfer made on or before the date of the enactment of this Act."

Revenue Act of 1932, Section 503 (Title 26 U. S. C., 1934 Ed. Sec. 552):

"Where property is transferred for less than an adequate and full consideration in money or money's worth, then the amount by which the value of the property exceeded the value of the consideration shall, for the purpose of the tax imposed by this title, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year."

California Civil Code, Section 206:

"**Reciprocal duties of parents and children in maintaining each other.** It is the duty of the father, the mother, and the children of any poor person who is unable to maintain himself by work, to maintain such person to the extent of their ability. The promise of an adult child to pay for necessaries previously furnished to such parent is binding. [Enacted 1872]"

Deering's Civil Code of the State of California, 1937 Edition, p. 59.

California Probate Code, Section 1502:

"**Management of ward's estate: Reimbursement of guardian.** Every guardian of an estate must manage it frugally and without waste, and apply the income, as far as may be necessary, to the comfortable and suitable support, maintenance and education of the ward and his family, if any; and if the income is insufficient for that purpose, he may sell or mortgage or give a deed of trust upon any of the property, as hereinafter provided. When a guardian has advanced, for the suitable support, maintenance or education of his ward, an amount not disproportionate to the value of the ward's estate or his condition of life, and the same is made to appear to the satisfaction of the court by proper vouchers and proofs, the guardian must be allowed credit therefor in his settlements. [Enacted 1931.]"

Deering's Probate Code of the State of California, 1937 Edition, p. 186.

California Probate Code, Section 1558:

"**Allowances by court to next of kin of an insane or incompetent person out of surplus income.** On the

application of the guardian or next of kin of an insane or incompetent person, the court may direct the guardian to pay and distribute surplus income, not used for the support and maintenance of the ward, or any part of such surplus income, to the next of kin whom the ward would, in the judgment of the court, have aided, if said ward had been of sound mind. The granting of such allowance and the amounts and proportions thereof shall be discretionary with the court, but the court shall give consideration to the amount of surplus income available after due provision has been made for the proper support and maintenance of the ward, to the circumstances and condition of life to which the ward and said next of kin have been accustomed and to the amount which the ward would, in the judgment of the court, have allowed said next of kin, had said ward been of sound mind. Notice of the hearing on said application shall be given as provided in section 1557 of this code. [Added by Stats. 1935, p. 1665.]

Deering's Probate Code of the State of California, 1937 Edition, p. 198.